Ministry of
Jobs, Tourism and Innovation

2010/11
Annual Service Plan Report

BRITISH
COLUMBIA

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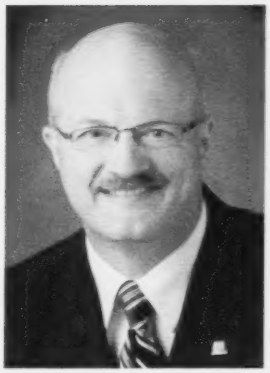
Message from the Minister and Accountability Statement



The new Ministry of Jobs, Tourism and Innovation was created to capitalize on British Columbia's tremendous strengths and natural advantages, and build a prosperous, globally competitive, and innovative economy that creates jobs and opportunities for families across British Columbia. To accomplish this, the Ministry will build on the success of the previous Ministries of Small Business, Technology and Economic Development; Tourism, Culture and the Arts; Community and Rural Development; Advanced Education and Labour Market Development; and Forests and Range. This report will focus on the results from these ministries' respective 2010/11 service plans.

Government has built a solid foundation for job creation and economic prosperity across the province. British Columbia's exports in 2010 were worth $29 billion, up by $3.9 billion or more than $10 million a day from 2009. Included in this number were exports to Asia – worth a record $11.8 billion.

Having a strong export sector creates jobs for families in every part of the province. Nearly 39,000 jobs were gained in British Columbia during 2010 and the pace of job growth was well above the national average.

The Ministry promotes British Columbia as an attractive investment destination and assists B.C. companies to win international business. In 2010/11 our trade and investment network, including B.C. representatives abroad and the Asia Pacific Business Centre in Vancouver, assisted the conclusion of over 90 agreements and helped secure almost $780 million of inbound investment into British Columbia. The network offers a range of services which assist companies to enter new markets, grow exports, attract investment, and collaborate on innovation.

British Columbia is leading efforts to fight protectionism and reduce domestic and international impediments to trade, investment and labour mobility. B.C.'s interests are being advanced with the federal government in international trade negotiations to create opportunities in key markets such as India and Europe. In addition, through the New West Partnership Trade Agreement we are strengthening the regional relationships with Alberta and Saskatchewan – together forming the largest barrier-free economy in Canada, with a combined population of nine million and GDP of over $500 billion.

Despite the lingering effects of the world economic downturn, $96 million in venture capital was invested in B.C. high-tech companies last year by B.C. Renaissance Capital Fund managers and their partners. Many of these investments resulted from our business hosting program during the 2010 Winter Games.

British Columbia continues to fund research and innovation, bringing the total provided to more than $1.8 billion – more than any government in B.C.'s history – to help build a strong, vibrant economy that creates the jobs B.C. families need.

Tourism is one of B.C.'s largest and most sustainable industries, providing jobs for nearly 129,000 British Columbians. Last year, our province had an unprecedented opportunity in the 2010 Olympic and Paralympic Games to show our province's beauty. We've built on our Olympic exposure with a wide variety of marketing, including highly targeted campaigns throughout North America, Europe, and Asia. Since the 2010 Games, Tourism BC has focused on converting the increased awareness of B.C. into visits, building on relationships established during the Olympics to showcase all that British Columbia has to offer.

We recognize the importance of small business and the jobs they provide to more than one million British Columbians. In October 2010, we released a new *Action Plan for Small Business 2010-2013*, which outlines government's strategy for supporting the growth and success of the small business community in the province. Through the Small Business Roundtable nine consultations were held with small business owners in various locations throughout the province, continuing the ongoing dialogue to identify small business issues and opportunities. Finally, our government has cut more than 152,000 regulatory requirements since 2001 – a red tape reduction of over 42 per cent - saving residents and businesses time and money.

The growth of our economy presents one of British Columbia's largest economic challenges – ensuring we have enough workers. *Skills for Growth*, British Columbia's labour market strategy, outlines government's plan to bring the right skills to every region of the province to maximize British Columbia's economic potential. With more than one million job openings over the next decade and only 650,000 youth in our education system, immigration is expected to be a key source of labour force and population growth.

Working in cooperation with the Government of Canada, the Canada/British Columbia Labour Market Agreement (LMA) provided the province with approximately $66 million ($396 million over six years) to invest in labour market programs and services assisting thousands of British Columbians in receiving training that is advancing their careers, helping them find new jobs and providing economic benefits throughout B.C.

The Ministry of Jobs, Tourism and Innovation *2010 11 Annual Service Plan Report* compares actual results to the expected results identified in the *2010 11 - 2012 13 Service Plans* of former Ministries. I am accountable for those results as reported.

Honourable Pat Bell
Minister of Jobs, Tourism and Innovation

July 6, 2011

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Highlights of the Year

As part of the ministerial re-organization that occurred in March 2011, economic development functions of five different ministries were combined to create the new Ministry of Jobs, Tourism and Innovation. Below are some of the highlights of the achievements of those program areas during the 2010/11 fiscal year.

Trade, Investment, Competitiveness and Innovation

The Ministry's Trade, Investment and Innovation Division markets British Columbia as an attractive investment destination and assists B.C. companies to win international business. The Division also leads the Province's engagement in trade negotiations, fosters competitiveness and innovation, and increases access to venture capital to assist B.C. companies to grow.

In 2010/11, the Ministry's trade and investment network, including B.C. representatives abroad and the Asia Pacific Business Centre in Vancouver, serviced a total of 60 inbound and 81 outbound missions, including trade delegations and executive visits. The team assisted the conclusion of over 90 agreements and helped secure almost $780 million of inbound investment into British Columbia. A range of marketing initiatives underpinned these results, including a prominent presence at marquee international trade shows, digital outreach, and printed collateral materials that promoted B.C.'s world class business climate and competitive advantages. Examples of investments that were influenced by the Ministry's comprehensive, coordinated, and confidential services include new animation studios in Vancouver, a manufacturing facility that will supply fuel cell units to automotive manufacturers, software development centres by leading international companies, new tourism and hospitality facilities, and a mining industry joint venture.

The Ministry is responsible for negotiating, implementing and managing British Columbia's internal (domestic) and international trade policies and agreements that break down Canada's internal market barriers and open new opportunities for investors and B.C. exporters. In 2010/11, the Ministry worked closely with the federal government to ensure B.C.'s interests are reflected in international trade agreements, and encouraged accelerated efforts to negotiate with key trading partners in the Asia Pacific. B.C. is actively participating in international trade negotiations underway such as the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) negotiations, the Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations, the Canada-United States Government Procurement Agreement (CUSPA) negotiations, and the Canada-Japan Joint Study.

In April 2010, the New West Partnership Agreement was signed, committing B.C., Alberta and Saskatchewan to ongoing collaboration on innovative ways to strengthen the economy of the West. The New West Partnership region is the largest barrier-free economy in Canada, with a combined population of nine million and GDP of over $500 billion. The partnership focuses on

four areas key to economic growth: trade, international cooperation, innovation, and procurement.

Under this partnership, the New West Partnership Trade Agreement was negotiated and signed, and in May 2010 the premiers of Alberta and Saskatchewan joined then-Premier Campbell on a New West Partnership trade mission to China and Japan. Key outcomes of the mission included the opening of a New West Partnership trade and investment office in Shanghai, and the strengthening of trade and innovation partnerships with corporate and government leaders including in the forest products, international education, mining, ICT and life sciences sectors.

The $90 million B.C. Renaissance Capital Fund (BCRCF) continued to attract world-class venture capital partners in key technology clusters – information technology, digital media, clean technology and life sciences.

The International Business Activities program, which provides eligible corporations with a refund of provincial corporate income tax paid on qualifying activities or patents, was expanded to include international businesses in high growth areas such as digital media publishing and distribution, certification and trading of carbon credits, clean technology, and investment fund management. The regulatory definitions for these new qualifying activities are under development.

In June 2010, Government announced major funding of $30.7 million for TRIUMF's new $62.9 million ARIEL (Advanced Rare IsotopE Laboratory) facility, which includes an underground beam tunnel and ground-breaking linear accelerator. TRIUMF, located at the University of British Columbia, is Canada's national laboratory for particle and nuclear physics. ARIEL will allow TRIUMF to broaden its research in producing and studying isotopes for medicine and physics, including materials science.

The Ministry continued to work with its Crown agency partner, the B.C. Innovation Council (BCIC), to support its work to launch the Entrepreneurship@ program series. BCIC, in cooperation with the federal government and industry organizations such as Alacrity Foundation and Wesley Clover, has created a network of incubators and accelerators inside educational institutions and organizations to train students to become entrepreneurs and launch start-up companies. So far, programs have been established at the University of Victoria, University of British Columbia, Bootup Entrepreneurial Society, and at Wavefront, the National Centre of Excellence for Wireless Commercialization.

British Columbia saw an additional $2.3 billion in real GDP as a result of the 2010 Olympic and Paralympic Winter Games from January 2003 to the end of March 2010, according to preliminary estimates by PricewaterhouseCoopers. During the Games, the 2010 Integrated Hosting Program involved 15,000 attendees in 113 events. The program brought B.C. businesses face to face with out-of-province business decision makers and other leaders who represented export sales opportunities, potential investors in B.C., and potential for future business partnerships. Numerous success stories have been highlighted over the course of

2010/11, including 12 economic announcements during the Games period, expanded air services between Shanghai and Vancouver, and over $91 million of investment made by B.C. Renaissance Capital Fund partners in eight high tech firms and a student entrepreneurship program.

Connections developed during the 2010 Games, along with the excellent reputation British Columbia earned for hosting one of the best ever Olympic and Paralympic Games, have led to international opportunities for a number of B.C. firms. The Ministry has created an Olympic and Paralympic Suppliers directory featuring over 100 B.C. companies and is promoting their expertise in international markets, including in preparation for London 2012, Sochi 2014, and Rio 2016.

In 2010/11 the Ministry also:

- Partnered with local communities and industry associations on the delivery of 11 export workshops around the province, which drew 334 attendees;
- Added 161 new members to the BC Business Network database of B.C. companies, which now stands at 5,699 companies. The Network allows the Province to connect directly with companies and promote international business activities;
- Together with the federal government, announced a three-year, $2 million program (the B.C. Economic Innovation Partnership Program) to boost trade and investment with Asia;
- Completed sector competitive profiles in the following sectors to assist the attraction of foreign direct investment – Forest Products, Mining, Natural Gas, Green Economy, International Business – and a regional asset profile on the Cariboo; and
- Produced the Major Projects Inventory quarterly, which gives an economic snapshot of the well-being of the construction industry within the province. At the end of March 2011, there were 989 major capital projects worth $202.6 billion planned, underway or recently completed.

Small Business

The Small Business Productivity and Competitiveness Project was completed in June 2010. The project met the goals of raising awareness amongst small business on the benefits of productivity enhancement by delivering relevant and practical assistance to small business to help improve productivity, and assisting government to identify persistent small business productivity challenges. The Building Skills for Small Business Fund supported project, leveraging partner funding from the regional economic development trusts, and the establishment of peer mentoring networks in Nelson, Duncan, Oliver, Osoyoos and Castlegar.

Small Business Month 2010 consisted of over 20 events or announcements and again was successful in raising awareness of the important contribution entrepreneurs and small businesses

make to the provincial economy. As well, the BizPal time saving tool, designed to make it easier to access business licence permitting information, is now available in 97 communities in the province – exceeding the annual target by two.

Government released a new three year Action Plan for Small Business on October 12, 2010. This new Action Plan also responds to issues raised during small business consultations and recommendations made in the Roundtable's Annual Reports to Government.

Ministry staff worked with staff of the Ministry of Energy and Mines in the design and release of the LivesmartBC-Small Business Program, raising the profile of green technology business opportunities. The Small Business Roundtable was consulted during the design phase of the project to ensure it would meet the needs of small business.

As of March 31, 2011 the Regulatory Reform count was 206,228 or -9.92% below the 2004 baseline. The Canadian Federation of Independent Business gave British Columbia the highest grade for regulatory reform in the country (B+) and praised its leadership on the effort and its action for setting reduction targets and reporting results.

Regional and Rural Economic Development

Another of the key mandates of the Ministry is to ensure that, across the provincial government, economic development and diversification tools are tailored to meet the needs of rural communities. There were a number of accomplishments in support of this mandate during 2010/11, including:

- The RuralBC Secretariat partnered with the Economic Development Association of British Columbia to deliver the BC BusinessCounts™ program, designed to facilitate the development and implementation of business friendly retention and expansion programs in regional and rural communities.
- In July 2010, legislation transferred the Community Business Loans Program to the Ministry and expanded the range of sectors eligible for loans in addition to the forest sector. At the time, the overall value of the loan portfolio was $31 million, with $14.1 million of that sitting as cash on hand. All 37 development corporations that remain party to the Community Business Loans Program entered into new Contribution Agreements by March 31, 2011.
- In 2010/11, provincial regional trusts made significant economic contributions in rural communities by leveraging their funding, investing well and forming strategic partnerships. The trusts include: the Columbia Basin Trust, the Nechako-Kitamaat Development Fund Society, the Northern Development Initiative Trust, the Island Coastal Economic Trust and the Southern Interior Development Initiative Trust. Collectively, they disbursed and committed almost $75 million to projects across the province. Projects funded met unique regional needs, and ranged from airport and harbour expansion to clean energy, downtown revitalization, agriculture and seniors' care initiatives.

Mountain Pine Beetle and Forest Initiatives

As part of the strategy to support the long-term economic sustainability of British Columbia, the Mountain Pine Beetle Action Plan continues to guide the cross-government efforts to mitigate the impacts of the mountain pine beetle epidemic. During the 2010/11 fiscal year, the government committed $9 million for the fight against mountain pine beetle. The Southern Interior, Omineca and Cariboo-Chilcotin beetle action coalitions each received $3 million to continue their regional efforts to mitigate the current and anticipated economic, environmental and social impacts of the pine beetle epidemic for the next three years.

Since the introduction of the *Wood First Act*, the ministry has established a Procurement Working Group and Procurement Guidelines to support ministries in implementing wood first requirement in public sector building projects. The government also established the Wood Enterprise Coalition and provided a two year grant of $1,750,000 for wood first projects. To date, 33 communities have adopted Wood First resolutions, 95 mid-rise wood building projects are in progress, and wood use requirements are now included in all provincial building proposals.

Tourism

In the tourism sector, results reflect the efforts of the Ministry to convert into visits the worldwide exposure of British Columbia afforded by the 2010 Olympic and Paralympic Winter Games (Tour firms credit Olympics for boosting trips to B.C). Despite the slow economy and weak currency of our key tourism partner, the United States, the province capitalized on the international relationships established with mainstream media and through award-winning international marketing campaigns that showcased the breadth of B.C. tourism (Campaigns win gold, silver, bronze – and visitors). This included creating a "BC Experience" featuring a 183-metre (600-foot) zipline set-up in Embarcadero Square in San Francisco. The showcase also featured free public dance performances by B.C.'s Aboriginal Le-La-La Dancers, an interactive video display featuring videos and beautiful images of B.C., a 3-D art installation and an updated version of the "You Gotta Be Here" advertising campaign in subway stations throughout the city. Tourism BC's media relations team generated about $240 million worth of earned media coverage in 2010 (Vancouver showcased to world's largest audience). This was is in addition to the more than eight million people worldwide who checked out Tourism BC websites.

For all of 2010, international visitor arrivals to B.C. grew by four per cent to 4,271,422, compared with 4,105,613 in 2009. While the Olympic Games in February 2010 gave the tourism numbers a definite boost, by the end of the year it was clear that tourism was on the upswing in general (B.C. posts 8th gain in overnight international visitors)

Overnight visitor arrivals from Asia-Pacific countries rose 11.1 per cent, representing 806,901 visitors from these countries. Thanks in part to our approved destination status, arrivals from China rose a total of 18.9 per cent last year over 2009 (China trade mission promotes B.C. tourism).

The Ministry also works closely with industry stakeholders and communities to help in the development of world-class tourism products and experiences province-wide. In 2010/11 the Community Tourism Opportunities program, designed to assist communities that are in a position to implement their own tourism-building initiatives, committed funding to 246 projects, involving over 180 communities.

A long-standing success story is the WorldHost® Training Program (formerly SuperHost®) that has been the basis for customer service training for over one million people worldwide. A key to BC's international success during the Vancouver 2010 Olympic and Paralympic Winter Games, the program's impact continues as it was licensed to People 1st, the sector skills council for hospitality, leisure travel and tourism throughout England, Scotland, Northern Ireland and Wales. They will deliver WorldHost training tools, materials and customer service delivery models ahead of the 2012 Summer Games in London.

Labour Market Development and Immigration

To address the Ministry's mandate of making sure the British Columbia labour force is equipped to provide "the right skills, in the right place, at the right time", the *Skills for Growth: British Columbia's Labour Market Strategy to 2020* was developed in consultation with employers, post-secondary institutions, labour, industry associations, government and other stakeholders. Released in November 2010, the strategy was designed to be the starting point of a co-ordinated effort to bring all stakeholders together to help meet British Columbia's future workforce needs. For additional details on this strategy, see: New strategy addresses B.C.'s looming skills shortage (November 25, 2010).

In 2010/11, the Labour Market Agreement provided services for over 9,848 individuals, helping these eligible clients to advance their careers, secure new employment and position themselves for success in the new economy. Under the Labour Market Agreement, the federal government is providing the Province with approximately $66 million annually until 2013/14.

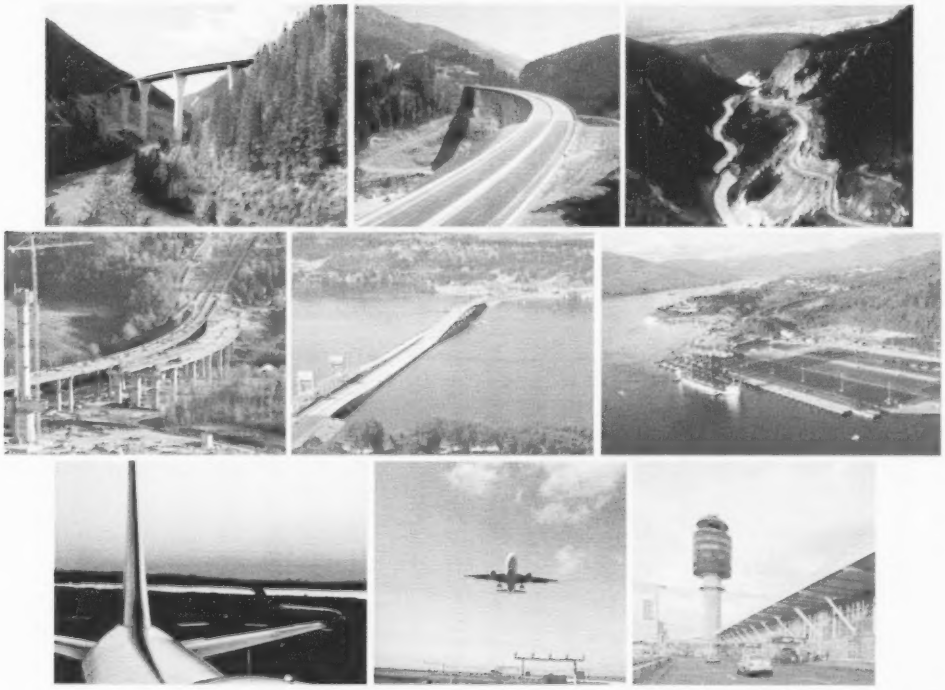
In June of 2010, the Province released the *BC Labour Market Outlook, 2009-2019*. This inaugural labour market forecast, which includes occupational and industry projections for the province as a whole and for all seven regions, has been used to inform trades training, skills development and labour market planning across the province.

The 2010 Provincial Nominee Program expansion target of 3,500 skilled immigrants was met, including 160 business immigrants, expected to invest approximately $120 million and create over 600 new jobs. In addition, the Ministry negotiated a renewed Canada-BC Immigration Agreement, securing over $500 million over five years (2010/11 to 2014/15), and delivered expanded settlement services to 131,000 immigrants across the province, including English language services provided to over 27,000 adult immigrants in 60 communities, and to 2,300 immigrants to integrate into the labour market through Skills Connect.

Year of Science

The 2010-2011 school year was proclaimed the Year of Science in B.C. with the aim of engaging British Columbians, in particular young people, in science by showcasing how science works, who scientists are, the kinds of work they do, and why science matters in the everyday lives of British Columbians. The program featured:

- Support for major science organizations to deliver province-wide programming.
- Five major public events to showcase different science themes.
- A robust website and social media strategy.
- A contest for a $25,000 scholarship to a B.C. post secondary institution.



Purpose of Ministry

The Ministry of Jobs, Tourism and Innovation brings together key lines of government services that can assist all regions of British Columbia. The Ministry mobilizes its expertise, resources and relationships to fully leverage emerging economic opportunities—creating jobs for families, and prosperity and sustainability for our communities. Specifically, the Ministry's work is guided by the vision that: ***British Columbia's globally competitive economy supports jobs and the success of families and communities across the province.***

The Ministry's portfolio includes programs that promote a supportive and attractive business environment in B.C. These programs bolster innovation and competitiveness, economic development in all regions, effective international marketing of B.C.'s goods and services and investment opportunities, and the promotion of B.C.'s tourism opportunities.

Our immigration and labour market programs ensure that British Columbia's highly-skilled and globally-competitive workforce drives innovation and economic growth in all sectors and all regions. Ministry programs, policies, research intelligence, sector leadership and relationship-building all work together to ensure a strong future: enhancing British Columbia's economic position, capitalizing on emerging opportunities, and tapping into the potential for exceptional job growth and a robust economy.

Trade, Investment, Competitiveness and Innovation

Trade and Investment

The Ministry provides integrated trade and investment programs and services which assist B.C. to attract investment, increase exports, and develop other international partnerships. We market B.C.'s competitive business environment and sector strengths in key markets, and build relationships with industry and government partners (domestic and international) to advance B.C.'s economic interests.

As the Ministry responsible for the Asia Pacific Initiative, we work to strengthen B.C.'s economic relationship with growing Asian markets including China, Japan, Korea, and India.

Forestry Innovation Investment (FII), a Crown corporation affiliated with the Ministry, continues to assist the forest sector to take advantage of export opportunities in key markets for forest products and promote B.C.'s sustainable approach to forest management.

The Ministry also leads B.C.'s efforts to fight protectionism and reduce or eliminate domestic and international impediments to trade, investment and labour mobility. We advance B.C.'s interests with the federal government in international trade negotiations to create opportunities in key markets such as India and Europe, and ensure that the Softwood Lumber Agreement between the United States and Canada is honoured and B.C.'s interests are protected. We also

work to strengthen regional relationships with Alberta and Saskatchewan through the New West Partnership Trade Agreement.

The Ministry aligns and integrates marketing efforts across government to aggressively promote the province's unique strategic advantage as Canada's Pacific Gateway and its growing reputation as an attractive and competitive international trade and investment partner.

Our venture capital programs serve the needs of early stage small businesses seeking to commercialize innovation and expand into global markets.

Economic Competitiveness

B.C. has a solid foundation from which to build future prosperity. The Ministry leverages the province's unique comparative advantages—its natural and human resources, geography, and cultural and industrial diversity—to secure short-term economic development and jobs and to build long-term competitive advantages for B.C. in the global economy.

The Ministry identifies competitive advantages, provides economic, sector and competitor analyses for informed decision-making, and develops programs to increase B.C.'s economic advantages. Enhancing competitiveness means expanding markets, but it also means increasing the value of the goods and services being produced. The Ministry supports research, innovation and entrepreneurial activities to add value in the B.C. economy. This supports the creation of high-paying jobs that give families economic stability and build vibrant communities for future generations.

Research and Innovation

The Ministry provides funding for research, innovation and technology to continue diversifying the economy and to advance high-growth, high-opportunity sectors to fuel sustained economic growth. The Ministry works with other Ministries such as the Ministry of Advanced Education, and with organizations and advisory groups such as the B.C. Knowledge Development Fund, the Premier's Technology Council, the British Columbia Innovation Council and the B.C. Immigrant Investment Fund to identify ways to advance innovation.

Small Business

Small business makes up 98 per cent of all business in the province, and they provide nearly 57 per cent of all private-sector jobs in B.C., employing over a million people. Through its work with the Small Business Roundtable, and the Straight*forward* BC program, the Ministry is committed to making British Columbia the most small-business-friendly jurisdiction in Canada by cutting red tape and making it easier and less expensive to do business in the province.

Regional and Rural Economic Development

The Ministry works with communities and regions throughout the province to facilitate economic development and diversification and community adjustment. The Ministry's RuralBC Secretariat provides a one-stop shop for rural B.C. communities to ensure they each have the

tools needed to achieve their unique vision for the future. The Ministry also works with regional economic development trusts including the Columbia Basin Trust, the Nechako-Kitamaat Development Fund Society, the Northern Development Initiative Trust, the Island Coastal Economic Trust and the Southern Interior Development Initiative Trust to ensure that coordinated efforts result in the best outcomes. The Ministry is also responsible for coordination of the provincial government's response to the social and economic effects of the mountain pine beetle epidemic. To achieve this, the Ministry works in close partnership with the three regional Beetle Action Coalitions in the province.

Tourism

The Ministry implements domestic and international programs to attract visitors to and throughout B.C. in cooperation with provincial tourism partners. Around the world, competition for tourists is increasing. For British Columbia, the Vancouver 2010 Olympic and Paralympic Winter Games continues to provide opportunities to showcase many of the unique attributes the province has to offer, and to promote B.C.'s tourism, trade and investment opportunities.

To fully capitalize on British Columbia's economic potential and enhanced international exposure, the Ministry promotes *Super, Natural British Columbia*® to British Columbians to encourage them to vacation in B.C., and to encourage out of province visitors to experience the wonders of our province. This includes working with Crown corporations such as the BC Pavilion Corporation in promoting the Vancouver Convention Centre and the new BC Place Stadium.

Labour Market Development and Immigration

By 2019, B.C. is projected to have 1.1 million job openings, 77 per cent of which will require some post-secondary education. British Columbia's population will only provide workers for two-thirds of those jobs, and only 67 per cent of B.C.'s workforce currently possess the level of education required for these jobs. A highly educated labour force is needed to maintain and advance B.C.'s growing and diversifying economy. To address these challenges, the Ministry is taking a leadership role to invest in skills and career development for British Columbians and to attract new workers by establishing British Columbia as a destination of choice to live, study and work for people from across Canada and around the world.

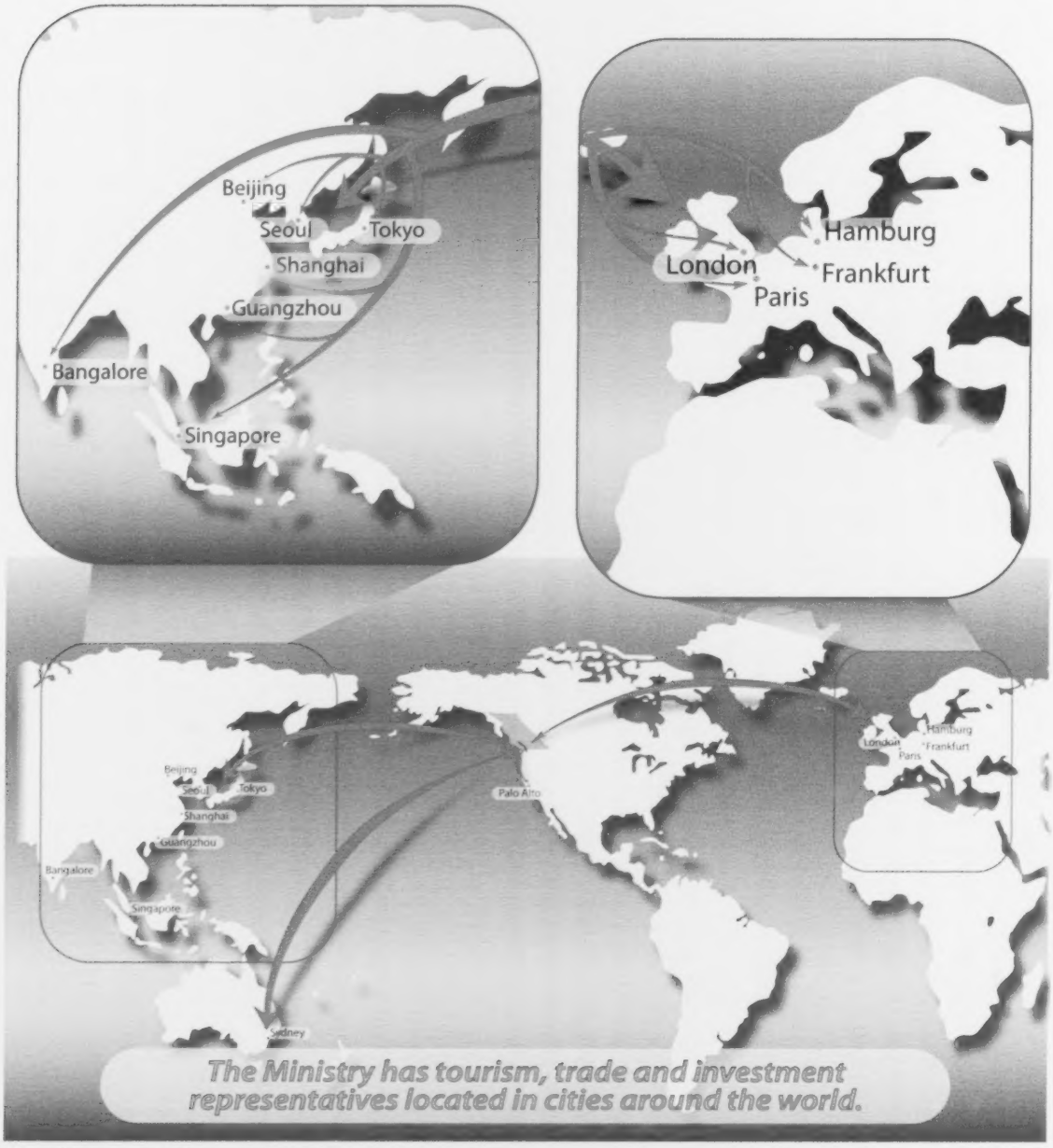
Skills for Growth: British Columbia's Labour Market Strategy to 2020 identifies actions to meet these challenges and to develop the skills needed to capitalize on economic opportunities in every region, and support the creation of sustainable jobs and a higher quality of life for families across the province.

The Ministry's immigration, settlement and labour market programs support the prosperity of B.C. families and the provincial economy by investing in the skills and career development of our students, workers and immigrants. These programs enhance opportunities for success for new, existing and future British Columbians in every region of the province.

In addition, the Industry Training Authority is the provincial Crown agency responsible for overseeing B.C.'s industry training and apprenticeship system, providing a skilled workforce for industry and career development opportunities for British Columbians.

Year of Science

The Year of Science has been a major program focus for the Ministry for the past year, and the momentum created by the Year of Science program will ensure that science and innovation are supported, promoted and celebrated in B.C. for years to come.



Legend: International Representatives

Trade & Investment: Bangalore, IN; Beijing, Guangzhou, Shanghai, CN; Hamburg, DE; London, UK; Palo Alto, US; Seoul, KR; Tokyo, JP

Tourism: Frankfurt, DE; London, UK; Seoul, KR; Beijing, CN; Sydney, AU; Tokyo, JP

BC Pavilion Corporation: Paris, FR; Singapore, SG

Forestry Investment Innovation Ltd.: Shanghai, CN; Beijing, CN *(satellite)*

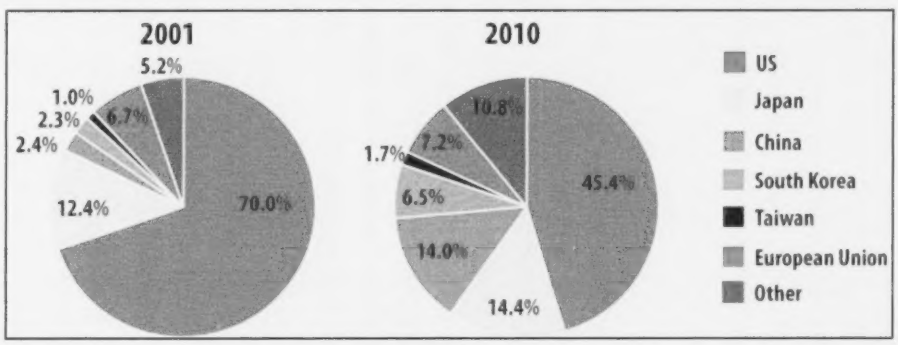
Strategic Context

Indicators of economic performance in 2010 show that B.C.'s economy has been recovering from the period of severe weakness it experienced in late 2008 and early 2009. British Columbia's real GDP increased by 4.0 per cent in 2010, following a decline of 1.8 per cent in the previous year. Improvements in the domestic economy were observed in employment, consumer spending and housing, while external gains were made in exports and shipments of manufactured goods. Challenges to the provincial economy included ongoing weakness in the U.S., the European sovereign debt crisis, continued strength in the Canadian dollar, and geopolitical uncertainty.

Staging the 2010 Winter Olympic and Paralympic Games on the heels of the global economic downturn gave the province a head start over other jurisdictions in stimulating the economy during 2010/11. The following outlines additional significant external factors that affected the Ministry's work over the past fiscal year.

Trade, Investment, Competitiveness and Innovation

Markets in Asia continued to expand rapidly relative to those of the rest of the world, and the province continued to position B.C. as North America's Pacific destination. B.C.'s trade with Asia increased, and British Columbia's efforts to diversify its trade markets to Asia Pacific are benefitting the province. In 2010, 41 per cent of B.C.'s exported goods went to Asia, and 46 per cent went to the United States; a marked change from 2001, when just 21 per cent of B.C. exports went to Asia and 70 per cent went to the United States. Thirty-three percent of all Canadian exports to Asia originated from B.C.



B.C. Goods Exports (2001, 2010)

Asia's dramatic growth, and the Province's marketing efforts, have been creating demand not only for B.C.'s traditional resource products, but also for new products and services such as clean energy/green technology, life sciences, digital media/wireless, education, tourism, financial services, and urban design, planning and development—all areas where British Columbia has expertise and competitive advantages.

B.C. relies on trade for its economic development and is tightly integrated into the global trade and investment system. The trade environment has been especially challenging with the global economic downturn and the corresponding decline in trade with the U.S., our largest trading partner. Because B.C. is dependent on trade and investment for economic growth and job creation, the Ministry and government are supportive of, and involved in establishing, open trade policies and agreements.

Research and innovation play a major role in shaping the global economy and in advancing British Columbia's domestic and international competitiveness. Global competition for the world's best and brightest talent is also increasing. It is important that B.C. positions itself to attract and retain world-class researchers, scientists and entrepreneurs and to strengthen B.C.'s competitive position as a leader in research and innovation.

Access to venture capital is critical to realizing the full benefit of innovation. Last year the marketplace for venture capital significantly improved over 2009, with B.C. now second in the country for access to early stage venture capital.

Small Business

Small business continues to be an economic engine of the provincial economy, driving job creation, productivity and economic growth. As of 2010, British Columbia had approximately 395,900 small businesses, employing over one million people and generating 32 per cent of the province's GDP.

Regional and Rural Economic Development

B.C.'s economic growth has not been equally distributed over the past decade, and economic recovery from the recent recession has been inconsistent. While many regions and communities of the province benefited from improved demand in the construction and service industries, and experienced an economic boost from the Vancouver 2010 Winter Olympics, others continued to experience significant economic development challenges.

Regions that are more dependent on natural resources have unique challenges to economic recovery, including a changing economy and population. These regions also stand to benefit from ongoing innovative efforts to expand the market and the uses of wood in construction. Collaboration, economic development support, education and training services continue to be required to assist these communities and regions to leverage their unique competitive strengths. This is particularly true for communities affected by the mountain pine beetle epidemic, which has killed an estimated 13 million hectares of pine forests. The battle against the effects of the mountain pine beetle epidemic is long-term, and includes efforts to stimulate economic development in the areas of tourism, value added wood, green energy, and mineral exploration.

Tourism

The 2010 Olympic and Paralympic Winter Games created heightened global awareness of British Columbia as a preferred tourism destination, providing a significant opportunity for the province. A growing Asian middle class with increased interest in travel and Canada's Approved Destination Status (ADS) with China have also provided critical building blocks for growing international visitation.

British Columbia's tourism industry saw success in many areas during the year, including market performance, visitor servicing and the further development of world-class tourism products that define the *Super, Natural British Columbia*® experience. These achievements occurred despite the many obstacles affecting the industry's ability to realize its true potential. These issues include the rising Canadian dollar, increased gas prices, limited air access, and world economies that are still slow in recovering. Competition from other jurisdictions is mounting, including a growing number of emerging tourism destinations such as Eastern Europe and Southeast Asia.

Labour Market Conditions and Increased Demand for Global Talent

Economic conditions during 2010 resulted in an unemployment rate that was higher than has been experienced in recent years. However, with an aging population, a rapidly growing knowledge and innovation economy, and increased globalization, labour shortages are looming. B.C. needs skilled migrants to fill more than one third of the projected (1.1 million) job openings in the next ten years. After considering new labour market entrants from the post-secondary system as well as international and interprovincial migration, B.C. may still face a gap of approximately 80,000 workers by 2019. The Ministry continued to make use of every opportunity to build a skilled workforce, and to match that workforce with employers in communities across the province.

Agreements with the Government of Canada have been increasingly important for the Ministry, in both responding to the effects of the economic downturn and meeting the future labour shortage. The Canada-BC Labour Market Agreement funded training for unemployed and underemployed eligible clients, providing thousands of British Columbians with training to advance their careers and assistance in securing new employment. Similarly, the majority of B.C.'s immigrant settlement and integration programs are funded through the Canada-BC Immigration Agreement. These programs ensure immigrants and their families can successfully settle and integrate into B.C.'s communities and the labour market, contributing to B.C.'s prosperity. The Agreement also formalizes the ability for the province to deliver the Provincial Nominee Program, a key tool to attract and retain skilled immigrants necessary to support the economic growth of the province.

Report on Performance

The table below reflects the goals, objectives and targets of the program components which now form the Ministry of Jobs, Tourism and Innovation, from the 2010/11-2012/13 service plans of five originating ministries[1]. It provides a snapshot of the progress of the Ministry with regard to its performance targets during 2010/11. The Ministry achieved, substantially achieved, or exceeded 21 of its 26 performance measures, and the data for two measures are not yet available due to data reporting schedules. There were shortfalls to three anticipated targets.

The section following the summary provides detailed discussion and explanation of these results.

Performance Plan Summary Table

Goal 1 (Ministry of Small Business, Technology and Economic Development): British Columbia — Canada's Pacific Gateway — is recognized globally as a preferred place to visit, live, work, invest and do business For greater detail see pages 25 to 28	**2010/11 Target**	**2010/11 Actual**
1.1 Increase B.C.'s economic competitiveness **1.2 Increase B.C.'s trade and investment** Venture capital invested in B.C.		
• Total venture capital invested in B.C.	$200M	$216M EXCEEDED
• B.C.'s share of Canada's total venture capital investment	16%	20% EXCEEDED
• Amount of foreign venture capital invested in B.C.	$71M	$96M EXCEEDED
1.3 Promote B.C. in priority markets Major Projects Inventory: Estimated number of projects	870	989 EXCEEDED
Goal 2 (Ministry of Small Business, Technology and Economic Development): Create a business climate in which small business prospers For greater detail see pages 29 to 32	**2010/11 Target**	**2010/11 Actual**
2.1 Make BC a global leader in regulatory reform Number of government-wide regulatory requirements	0 net increase	0 net increase ACHIEVED
2.2 Foster a culture of entrepreneurship in British Columbia Availability of BizPaL to communities	95 of 160 municipalities	97 of 160 municipalities EXCEEDED

[1] The five ministries are: The Ministry of Small Business, Technology and Economic Development, the Ministry of Tourism, Culture and the Arts, the Ministry of Community and Rural Development, the Ministry of Advanced Education and Labour Market Development, and the Ministry of Forests and Range.

2.3 Continue stimulating and investing in innovation and research activity at B.C.'s universities, institutions and businesses Business enterprise expenditures on research and development (BERD) as a percentage of GDP	0.625%	NOT YET AVAILABLE
Goal 3 (Ministry of Community and Rural Development): Wealth creation from rural B.C. is supported For greater detail see pages 32 to 38	**2010/11 Target**	**2010/11 Actual**
3.1 Rural communities have access to programs and services that support their economic development Number of Community First Agreements signed	10	8 SUBSTANTIALLY ACHIEVED
3.2 Opportunities are created for workers and their forest- dependent communities Number of workers in forest-dependent and mountain pine beetle-affected communities assisted by the Community Development Trust	11,796	13,300 EXCEEDED
3.3 Local government and community capacity to manage change is strengthened Number of mountain pine beetle mitigation projects implemented to date by the Beetle Action Coalitions	12	20 EXCEEDED
Ratio of funding leveraged in support of Beetle Action Coalitions' mountain pine beetle mitigation projects	1:1	1:2.2 EXCEEDED
Goal 4 (Ministry of Tourism, Culture and the Arts): Increase revenue by attracting visitors from multiple markets, with seasonal and geographic distribution across B.C. For greater detail see pages 38 to 42	**2010/11 Target**	**2010/11 Actual**
Industry Indicator: Provincial Tourism Revenues	$13.4B	NOT AVAILABLE
4.1 Increase interest in B.C. as a tourist destination by connecting consumers to the product of choice through the channel of choice Visitors to HelloBC.com consumer websites worldwide (millions)	6.5	6.0 SUBSTANTIALLY ACHIEVED
4.2 Increase awareness of B.C. tourism products and experiences by generating unpaid coverage of B.C. worldwide Equivalent dollar value of unpaid editorial coverage worldwide (millions)	$300	$190 NOT ACHIEVED
4.3 Ensure B.C.'s share of Canadian product listed with key tour operators is competitive and increased where possible British Columbia's share of Canadian product in key tour operator offerings		
• North America	45%	46% EXCEEDED
• Europe	45%	43% SUBSTANTIALLY ACHIEVED
• Asia	65%	66% EXCEEDED

Goal 5 (Ministry of Tourism, Culture and the Arts): A tourism industry that delivers a world-class, comprehensive range of tourism products, destinations and enhanced visitor experiences For greater detail see pages 42 to 46	**2010/11 Target**	**2010/11 Actual**
5.1 Visitors have access to accurate, compelling tourism information and the capability to make informed purchasing decisions through their channel of choice – online, contact centre, visitor centres, and direct to tourism businesses		
5.2 Tourism industry representation within marketing and visitor servicing programs is increased		
Number of tourism businesses listed on HelloBC.com	6,000	6,613 EXCEEDED
5.3 Maximize efficiency and effectiveness of marketing within the B.C. tourism industry		
Number of tourism businesses participating in regional marketing programs	1,950	1,620 NOT ACHIEVED
5.4 B.C.'s reputation as a provider of high-quality services and products continues to grow		
Number of participants trained through WorldHost® training programs	20,000	12,426 NOT ACHIEVED
Goal 6 (Ministry of Advanced Education and Labour Market Development): BC's workforce is highly skilled and globally competitive For greater detail see pages 46 to 48	**2010/11 Target**	**2010/11 Actual**
6.1 BC's workforce is flexible and responsive to the changing and future needs of the provincial economy		
Number of clients served by labour market measures		
• Targeted Initiative for Older Workers	770	913 EXCEEDED
• Labour Market Agreement and Strategic Training Transition Fund	17,000	31,300 EXCEEDED
Goal 7 (Ministry of Advanced Education and Labour Market Development): BC is a global destination of choice for students, skilled workers and entrepreneurs For greater detail see pages 48 to 51	**2010/11 Target**	**2010/11 Actual**
7.1 BC attracts and increases newcomers to the province through effective partnerships and outreach		
Number of new principal applicants attracted to BC under the Provincial Nominee Program	160	159 SUBSTANTIALLY ACHIEVED
• Business		
• Strategic Occupations/Skilled Workers	3,500	3,263 SUBSTANTIALLY ACHIEVED

7.2	**BC's immigrant settlement services ensure the successful integration of newcomers into workplaces and communities**		
	Number of, and outcomes for, immigrants enrolled in ESL programs and Skills Connect for Immigrants		29,100
	• Number of Students enrolled in publicly-funded ESL programs for immigrant adults	28,500	EXCEEDED
	• Number of immigrants served by the Skills Connect for Immigrants Program	2,300	3,345 EXCEEDED

Float plane on Spruce Lake, photo by Albert Normandin

Goals, Objectives, Strategies and Performance Results

Annually, the Ministry reports out on the results of its work over the past year. The communication of the results serves to ensure the Ministry's work remains strategically linked to the government's goals, and that it clearly communicates with the citizens of B.C.

Given the cross-government ministerial re-organizations that occurred in October 2010 and March 2011, the *2010/11 Annual Service Plan Report* for this Ministry covers the goals, objectives, strategies, and performance measures of its current programs which have originated from the *2010/11-2012/13 Service Plans* of the following five ministries:

- Ministry of Small Business, Technology and Economic Development[2]
- Ministry of Community and Rural Development[3]
- Ministry of Tourism, Culture and the Arts[4]
- Ministry of Advanced Education and Labour Market Development[5]
- Ministry of Forests and Range[6]

Goal 1: British Columbia — Canada's Pacific Gateway — is recognized globally as a preferred place to visit, live, work, invest and do business

Objective 1.1: Increase B.C.'s economic competitiveness

Strategies

Key strategies for this objective included:

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[2] Containing programs that were subsequently moved to the Ministry of Finance, Ministry of Tourism, Trade and Investment, Ministry of Science and Universities, and Ministry of Regional Economic and Skills Development in October 2010, before becoming part of the Ministry of Jobs, Tourism and Innovation in March 2011.

[3] Containing programs that were subsequently moved to the Ministry of Community, Sport and Cultural Development in October 2010, before becoming part of the Ministry of Jobs, Tourism and Innovation in March 2011.

[4] Subsequently became the Ministry of Tourism, Trade and Investment in October 2010, before becoming part of the Ministry of Jobs, Tourism and Innovation.

[5] Subsequently became the Ministry of Science and Universities in October 2010, before becoming part of the Ministry of Jobs, Tourism and Innovation.

[6] There were some program areas from this Ministry carried forward to the Ministry of Jobs, Tourism and Innovation; however, there were no performance measures to carry forward from the Ministry of Forests and Range *2010/11-2013/14 Service Plan*.

- Reducing barriers to labour mobility for skilled workers and professionals to ensure the province's economic success is not hindered by workforce shortages resulting from an aging population and global competition for skilled workers.
- Advancing B.C.'s priorities in the federal government's international trade negotiations, such as the anticipated Canada-European Union Economic Partnership.
- Strengthening internal trade across Canada through changes to the Agreement on Internal Trade.
- Fully implementing the B.C.-Alberta Trade, Investment and Labour Mobility Agreement to build more open and competitive markets for the benefit of all consumers, workers, businesses and investors.
- Building on the success of the B.C.-Alberta agreement and implementing amendments to the Agreement on Internal Trade, allowing freer movement of skilled workers and professionals in Canada.
- Extending the B.C.-Alberta Trade, Investment and Labour Mobility Agreement to include Saskatchewan by implementing the Western Economic Partnership.
- Streamlining regulatory differences between the province and key trading partners.
- Continuing to support a business climate where small business prospers.
- Further reducing regulatory burden and attracting new investment by streamlining regulatory requirements and improving efficiency for accessing government programs and services.
- Increasing investment in research and development in British Columbia.

Objective 1.2: Increase B.C.'s trade and investment

Strategies

Key strategies for this objective included:

- Increasing the amount of venture capital available to B.C. businesses.
- Promoting investment opportunities in B.C. with investors in Asia, the U.S. and Europe.
- Increasing activities to attract foreign direct investment and promote programs and policies to facilitate greater participation of B.C. businesses in key markets.
- Enhancing close commercial ties with Asia, the U.S. and Europe to stimulate innovation and drive productivity and economic growth in B.C.
- Increasing activities to attract headquarters and operations of financial institutions to Vancouver.
- Strengthening key relationships by promoting the province's competitive advantages and increase trade and investments in high-growth, high-opportunity sectors.

- Building on B.C.'s reputation as a global leader in regulatory reform.

Performance Measure 1: Venture capital invested in B.C.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Total venture capital invested in B.C.	$259m	$212m	$200m	$216m EXCEEDED
B.C.'s share of Canada's total venture capital investment[1]	19%	21%	16%	20% EXCEEDED
Amount of foreign venture capital invested in B.C.	$108m	$84m	$71m	$96m EXCEEDED

Data Source: Data derived from Thomson Reuters

[1] Total value of venture capital investment in B.C. expressed as a percentage of overall Canadian venture capital dollar investment.

Discussion

Entrepreneurship and innovation are vital to economic growth and will increase British Columbia's productivity and wealth creation, and facilitate a rise in the standard of living. Foreign capital investment levels reflect confidence in the creative energy of British Columbia's entrepreneurial leaders. A rising level of foreign investment reflects the global marketplace's view that B.C.'s companies and sectors are healthy and strong.

In 2009, venture capital investment declined worldwide as a result of the global recession. Within Canada, venture capital investment fell 30 per cent from 2008 levels. The Canadian Venture Capital Association expects it may take two or more years for conditions to return to a normal investment range.

In 2010, British Columbia's best and brightest small businesses attracted $216 million, a 35 per cent increase from last year. British Columbia continued to attract 20 per cent of all venture capital invested in Canada[7] and is second in the country for investment per capita: $49 invested per person in B.C., $56 in Quebec and $33 in Ontario. British Columbia continues to experience rising levels of foreign investment with $96 million that is well above our performance measure target of $71 million.

British Columbia is the only province in Canada that covers venture capital investment at every level. Ministry programs ensure innovative companies from B.C. have long-term access to capital during these challenging times. Supported by a 30 per cent tax credit for investments in a B.C.-based company, "angel" investors provide not only capital but also business expertise and contacts for seed stage companies. Ministry venture programs that support local investors ensure the province will retain its position of strength from the global downturn.

[7] Thomson Reuters

Objective 1.3: Promote B.C. in priority markets

Strategies

Key strategies for this objective included:

- Promoting greater awareness of B.C. as Canada's Pacific Gateway in multiple languages through a variety of mechanisms.
- Showcasing B.C.'s products and services using out-bound trade missions, ministerial missions and sectoral trade shows to increase trade and investment in British Columbia.
- Welcoming Asia-Pacific business delegations and trade missions bringing economic prospects to explore trade and investment opportunities in B.C.
- Sustaining and evolving strategies to pursue international opportunities for B.C. afforded by the Olympic and Paralympic Games, starting with Beijing in 2008 and ending with London in 2012.
- Leveraging the multilingual Asia-Pacific Business Centre at Robson Square in Vancouver as a hub for business activity and industry-driven programming.

Performance Measure 2: Major Projects Inventory

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Estimated number of projects	918	925	870	989 EXCEEDED

Data Source: Major Projects Inventory

Discussion

The continued high level of major projects underway in B.C. will continue to provide well-paid jobs and help maximize economic activity within the province. The Major Projects Inventory captures major projects that are currently proposed or underway within B.C. The steady rise in the number of projects since 2003 is expected to crest within the next three years, but to remain well above 2005 levels, reflecting a continued strong interest and confidence in B.C.'s economic performance. The value of these projects, which has quadrupled since 2001, is also expected to remain at historical highs. The regional and sectoral distribution of projects is also expected to continue along historical trends. The three largest sectors generating major projects are residential-commercial sector, transportation and warehousing, and utilities.

Goal 2: Create a business climate in which small business prospers

Objective 2.1: Make B.C. a global leader in regulatory reform

Strategies

Key strategies for this objective included:

- Through Straight*forward* BC: Regulation, Clear and Simple, building an efficient and effective regulatory system in B.C. to promote economic opportunities while protecting public safety and health, and the environment.
- Reducing regulatory burden on small business by streamlining regulatory requirements and improving efficiency for accessing government programs and services.
- Working with the Small Business Roundtable to identify and implement innovative initiatives such as the Straight*forward* Forms.
- Monitoring regulatory reform progress across government, and regularly and publicly reporting results.

Performance Measure 3: Maintain a net zero increase in the number of regulatory requirements

Performance Measure	2004 Baseline[1]	2009/10 Actual[2]	2010/11 Target	2010/11 Actual[3]
Number of government-wide regulatory requirements	228,834	207,630	0 net increase	206,228 0 net increase ACHIEVED

Data Source: Straight*forward* BC Regulatory Requirement Database

[1] As defined in 2004.

[2] As of March 31, 2010.

[3] As of March 31, 2011.

Discussion

Since the regulatory reform initiative was introduced in 2001, the B.C. government has eliminated more than 154,000 regulatory requirements – a red tape reduction of over 42 per cent. Starting in 2010, regulatory reform was a fixed agenda item at all Small Business Roundtable consultations held throughout the province. The government also launched the Straight*forward* Forms initiative, beginning with the redesign of two forms that require approximately 125,000 submissions per year. The initiative also looks to adding the option of online forms submission to further reduce processing time and cut costs for taxpayers and government.

The government achieved its initial target of reducing regulatory requirements by one third by 2004; the government further committed to a target of a zero net increase in government-wide regulatory requirements to 2012, using 2004 count as the baseline. The ministry tracks performance and regularly reports the regulatory requirement count information publicly. The zero net increase target reflects government's strong commitment to making B.C. a leader in regulatory reform.

Objective 2.2: Foster a culture of entrepreneurship in British Columbia

Strategies

Key strategies for this objective included:

- Increasing the productivity and competitiveness of small to medium sized enterprises in B.C.
- Highlighting and celebrating the contribution of B.C.'s 384,300 small businesses to the provincial economy and communities.
- Maintaining and building partnerships with federal and municipal governments and key organizations to leverage resources offering services, products and tools to entrepreneurs.
- Continuing to reduce the regulatory burden on B.C.'s small businesses.
- Implementing BizPaL in B.C. communities to make it easier to access business licence permitting information.
- Supporting the expansion of a mobile business licence throughout the province.
- Supporting small businesses through the Building Skills for Small Business Fund, building partnerships with government and non-government organizations and leveraging additional funds to develop human resources, succession planning, and similar training to enhance small business productivity and competitiveness.
- Exploring new ways to increase small business access to financing.
- Supporting the Small Business Roundtable.
- Supporting ongoing dialogue with small business owners through consultations in all regions of the province.
- Supporting Small Business BC as the key resource for small business in the province.
- Implementing the Action Plan for Small Business to address small business issues and support small business startup and growth.
- Raising the profile of new small business opportunities like green technology.
- Developing strategies to help small businesses expand into domestic and international markets[8].

[8] For this particular strategy, some work was undertaken, but further work is needed to finalize the strategies and pursue potential options.

- Fostering a culture of entrepreneurship in British Columbia by supporting Junior Achievement British Columbia in providing students in K-12 with the business knowledge and skills to become the entrepreneurs of tomorrow.

Performance Measure 4: Availability of BizPaL to communities

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Availability of BizPaL to communities[1]	75 of 157 municipalities[2]	86 of 160 municipalities	95 of 160 municipalities	97 of 160 Municipalities EXCEEDED

Data Source: Ministry of Small Business, Technology and Economic Development; Small Business, Research & Competitiveness Division.

[1] This target accommodates the differing priorities of municipalities and the need to coordinate among three levels of government.

[2] Three new local governments were incorporated in 2008/2009, increasing the total number of communities from 157 to 160 and changing the denominator of the baseline by 1.88 per cent.

Discussion

Implementation of the popular BizPaL Program will continue in 2011/2012 as the Province moves closer to its goal of having the service available to all B.C. communities. BizPaL is an online service that helps businesses to identify all federal, provincial, and local government permits and business licence requirements for specific business activities and locations. BizPaL reduces the time and cost for entrepreneurs starting or expanding small businesses.

Objective 2.3 Continue stimulating and investing in innovation and research activity at B.C.'s universities, institutions and businesses

Strategies

A number of the strategies within this objective have been moved to other ministries. Under the Ministry of Jobs, Tourism and Innovation, key strategies for this objective included:

- Ensuring funding through the British Columbia Knowledge Development Fund and contributions to research organizations are aligned with the priorities of B.C.'s Research and Innovation Strategy.
- Leveraging the B.C. research and innovation system to encourage the development, commercialization and adoption of technologies and processes that align with, and contribute to B.C.'s economic priorities.
- Increasing innovation in the approach to regulatory reform through Straight*forward* BC.
- Addressing regulatory barriers to the use and application of current and emerging technologies in addressing environmental issues.

- Supporting the Premier's Technology Council and the British Columbia Innovation Council.

Performance Measure 5: Business enterprise expenditures on research and development (BERD)

Performance Measure	2007/08 Benchmark	2008/09 Actual	2010/11 Target	2010/11 Actual
BERD as a percentage of GDP	0.598%	.645%	0.625%	NOT YET AVAILABLE[1]

Data Source: *Gross Domestic Expenditures on Research and Development in Canada (GERD), and the Provinces, National Estimates 1998 to 2009, Provincial Estimates 2003 to 2007*, vol. 2 no. 1, Statistics Canada, Catalogue no. 88-221-X.

[1] The Statistics Canada report Gross Domestic Expenditures on Research and Development in Canada (GERD), and the Provinces is printed every year in December, with a two-year lag in provincial data.

Discussion

The ratio of business enterprise expenditures on research and development to gross domestic product is a proxy for the level of innovation in firms. Higher R&D expenditures help to stimulate the growth of firms, create jobs and ultimately expand the provincial economy. Coherent innovation policies and strategic research funding by government help to create an environment that encourages business investment in research and development. The targeted increases of 0.025 per cent per year are equivalent to increases of approximately $50 million per year in business enterprise R&D expenditures.

Goal 3: Wealth creation from rural B.C. is supported

The resource-rich areas of B.C. contribute a great deal to the economic well-being of the entire province. Their role as generators of approximately 50 per cent of all provincial exports makes them indispensible to the provincial economy[9]. By equitably investing in and building infrastructure throughout our province we can strengthen our resource and trade economy, thereby strengthening our overall economic vitality. The Ministry's RuralBC Secretariat works with rural communities throughout the province to find the right community-centred solutions to strengthen rural economies.

Objective 3.1: Rural communities have access to programs and services that support their economic development

The Ministry works to bridge gaps between our rural communities and the provincial and federal programs available to them. Further, the Ministry works with communities to identify existing or new programs and services that could support them in reaching their vision.

[9] Baxter, Ramlo and Ramlo, "Changing People, Changing Places," (2009), p. 27.

Strategies

Key strategies for this objective included:

- Collaborating with rural communities to identify local priorities, and aligning government resources to support these priorities through flexible, Community First Agreements.
- Forging close partnerships with, and facilitating connections between, various rural B.C. stakeholders like community groups, businesses, local, provincial, and federal governments, non-governmental organizations, and academia.
- Ensuring economic development and diversification tools across the Provincial government are tailored to meet the needs of small communities.
- Aligning the strategies of provincial ministries and federal departments to provide communities with better access to programs and services.

Performance Measure 6: Number of Community First Agreements signed

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of Community First Agreements signed[1]	3 under development	2, with 4 under development	10	8, with 2 under development SUBSTANTIALLY ACHIEVED

Data Source: Ministry of Community and Rural Development. The above figures represent a cumulative total.

[1] This three-year pilot program concludes in 2011/12. Whether additional agreements will be signed in subsequent years will be determined by the results of the program evaluation.

Discussion

Community First Agreements (CFAs) demonstrate the Ministry's intention to tailor and align government resources to be more flexible in meeting rural community needs. Through these agreements, local governments identify their key priorities for development and prosperity, and the Ministry focuses government resources to meet these communities' unique requirements and help achieve their visions for the future.

Communities recognize the value of this innovative approach to community development by providing the time and resources needed to develop the agreements, and by committing to achieve agreed-upon results. The Ministry works with communities to articulate a list of specific results within each agreement, and monitors communities' progress towards achieving them.

The 2010/11 target of 10 signed CFAs was substantially achieved. This is in part due to the nature of the work being done. Each community works in collaboration with the Ministry to develop a customized CFA that meets their community needs. It can take a significant amount of time and human resources to identify potential CFA projects and key individuals to involve in the implementation. In addition, the communities are managing issues related to the economic downturn and attrition which have been prevalent throughout the province for the past few years.

In spite of these challenges, communities continue to want to be engaged in the CFA pilot and two additional communities are currently working with regional staff on developing CFAs.

Objective 3.2: Opportunities are created for workers and their forest-dependent communities

The challenges in British Columbia's forest sector impact more than the forest land base; they affect employers in the industry, the lives of forest workers, their communities and their families. The Ministry is working with multiple partners to provide assistance to workers who have been affected by the changes in the forest sector. The Ministry's focus is on creating jobs for displaced resource workers through short-term projects that benefit the broader community and on working with the federal government to maximize funding available to support this priority. The Ministry also assists forest workers in diversifying their existing skills through retraining so that they can transition into other opportunities.

Strategies

Key strategies for this objective included:

- Using the Community Development Trust to create job opportunities for resource workers in forest-dependent communities, and provide forest workers with learning opportunities through tuition assistance.

Performance Measure 7: Number of workers in forest-dependent and mountain pine beetle-affected communities assisted by the Community Development Trust

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of workers in forest-dependent and mountain pine beetle-affected communities assisted by the Community Development Trust[1]	4,242	9,761	11,796	13,300 EXCEEDED

Data Source: The Community Development Trust is collecting statistics on each of its programs as they are delivered.

[1] The numbers for this measure are reported as cumulative totals, rather than as yearly totals. This change was made to more fully illustrate the overall program results. The 2010/11 figure of 11,796 includes 3,749 workers assisted in 2008/09, 5,607 workers assisted in 2009/10, and 2,440 workers projected to be assisted in 2010/11. The Community Development Trust was a three-year program that concluded in March 2011.

Discussion

This measure demonstrates the Ministry's success in supporting workers through the current challenges in the forest sector. Community Development Trust programs supported workers and

their families who wish to remain and work in the communities where they live. Whether by providing workers with retraining, or short-term employment, these programs broadened the range of choices available to workers as they make critical decisions for their future. By helping to retain skilled workers in their communities, Community Development Trust programs also made an important contribution to the sustainability of our rural communities, enabling them to continue to be great places for British Columbians to live, work and invest. The three-year program concluded in March 2011.

Objective 3.3: Local government and community capacity to manage change is strengthened

The significant challenges in the forest industry are having an immediate impact on communities across the province and the pine beetle epidemic presents huge near-term challenges as well.

The Mountain Pine Beetle Action Plan provides a long-term, cross-government approach to mitigating the impacts of the mountain pine beetle epidemic and supports the long-term economic sustainability of British Columbia. Both federal and provincial governments contribute funding to various components of this plan. For more information on the Action Plan, please visit www.gov.bc.ca/pinebeetle.

Mills in resource-dependent communities are often the largest employers and contribute to a significant portion of the local government's tax revenue. When a large employer closes, communities are supported in implementing change strategies through the Ministry's Community Transition Services. Communities challenged by industry closures and by the mountain pine beetle epidemic require strategies to re-employ workers, encourage economic growth and replace lost tax revenues for local governments. To ensure the long-term well-being of our rural communities, it is imperative these strategies foster sustainability at the same time.

Strategies

Key strategies for this objective included:

- Implementing the provincial Mountain Pine Beetle Action Plan in collaboration with provincial, federal, and local government partners, regional Beetle Action Coalitions and other stakeholders to mitigate the economic impact of the mountain pine beetle epidemic.
- Working with the regional Beetle Action Coalitions to implement mountain pine beetle mitigation projects and to encourage economic diversification in mountain pine beetle affected regions.
- Providing an integrated and rapid response to resource-based communities and working with other ministries to address the impact of industry closure.
- Facilitating an exchange of lessons learned and best practices between communities facing similar obstacles.

- Providing local government and First Nations leaders with ongoing outreach and networking opportunities to build leadership and the capacity to manage economic change.

Performance Measure 8: Number of mountain pine beetle mitigation projects implemented to date by the Beetle Action Coalitions

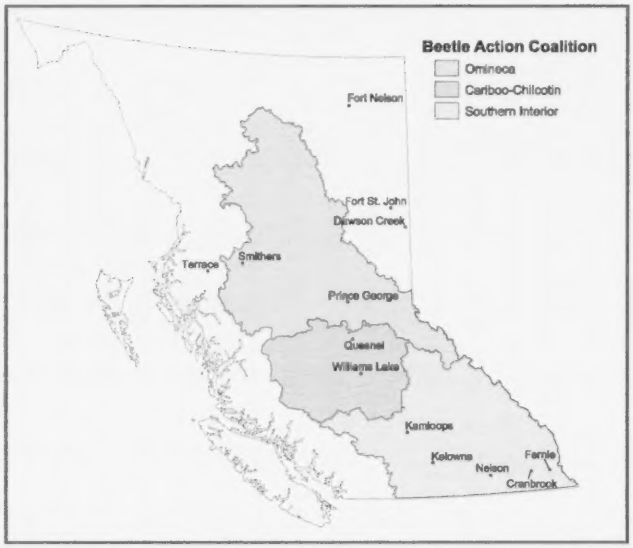
Performance Measure	2009/10 Actual[1]	2010/11 Target	2010/11 Actual
Number of mountain pine beetle mitigation projects implemented to date by the Beetle Action Coalitions	N/A	12	20 EXCEEDED

Data Source: Ministry of Community and Rural Development, Mountain Pine Beetle Epidemic Response Division

[1] Beetle Action Coalitions began to implement their socio-economic adjustment plans in 2010/11.

Discussion

The provincial government's response to the pine beetle epidemic is guided by the Mountain Pine Beetle Action Plan. Under this plan, the Ministry's Pine Beetle Epidemic Response Branch has been tasked with working with the three regional Beetle Action Coalitions to develop MPB mitigation plans that identify the unique pine beetle challenges facing each region impacted by the epidemic and how best to mitigate these impacts and challenges.



These MPB mitigation plans were completed in 2009/10 and the Ministry's attention then turned to working with the regional Beetle Action Coalitions and various stakeholders to implement the priority projects identified in their plans. These projects serve to enhance community resilience and support socio-economic development in beetle-impacted communities.

More information on the Omineca, Cariboo-Chilcotin, and Southern Interior Beetle Action Coalitions and their socio-economic adjustment plans can be found on their respective websites.

Performance Measure 9: Ratio of funding leveraged in support of Beetle Action Coalitions' mountain pine beetle mitigation projects

Performance Measure	2009/10 Actual	2010/11 Target	2010/11 Actual
Ratio of funding leveraged in support of Beetle Action Coalitions' mountain pine beetle mitigation projects	N/A[1]	1:1	1:2.2 EXCEEDED

Data Source: Ministry of Community and Rural Development, Mountain Pine Beetle Epidemic Response Division

[1] Beetle Action Coalitions began to implement their socio-economic adjustment plans in 2010/11.

Discussion

In 2009/10 the Ministry provided the regional Beetle Action Coalitions with funding to develop and implement high priority projects identified in their MPB mitigation plans. The Ministry's Pine Beetle Epidemic Response Branch now works with the Coalitions to leverage that funding by identifying partners for the funding and implementation of these projects. The target of a one-to-one ratio identified above specified that for every Ministry dollar contributed to the Beetle Action Coalitions, a matching dollar is being sought from other partners. Potential partners include local governments, First Nations, regional economic development trusts, provincial and federal governments, as well as non-profit organizations. Given the limited project dollars controlled by the Beetle Action Coalitions and challenging economic conditions the target of a one-to-one ratio of funding leveraged was established, but this target was exceeded.

Objective 3.4: Rural communities and regions identify, attract and retain investment

Rural communities and regional economies have significant natural assets that make them well-positioned to attract investors and, where practical, diversify into non-traditional resource-based industries and enhance economic sustainability. Through strategic investments in B.C. communities, the Ministry supports the growth of emerging industries such as alternative and clean energy (geothermal, bio-fuels), bio-products, value-added agriculture (food and beverage processing and organic produce), and non-resource-based industries. The Ministry is also working with communities to find ways for them to retain existing major industrial employers in an increasingly competitive world economy.

Strategies

Key strategies for this objective included:

- Providing resources to facilitate the development of community and regional initiatives to identify opportunities, attract new investment and retain existing businesses.
- Expanding the Forest Community Business Program to enable other businesses, in addition to forest sector businesses, to access existing debt capital.

- Partnering with industry sector associations and business development agencies to support rural business retention and expansion, as well as business succession programs.
- Working with the economic development trusts to support the alignment of priority investments with community needs. Trusts include: Nechako-Kitamaat Development Fund Society; Northern Development Initiative Trust; Island Coastal Economic Trust, Southern Interior Development Initiative Trust; and the Columbia Basin Trust.

Goal 4: Increase revenue by attracting visitors from multiple markets, with seasonal and geographic distribution across B.C.

Industry Performance Indicator: Provincial Tourism Revenues

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Provincial Tourism Revenues	$13.8[1] billion	$12.9[2] billion	$13.4 billion	Not available[3]

Data Source: Provincial Tourism Revenues are calculated by BC Stats, and the information is used by the Ministry to establish future targets. This measure is calculated on a calendar year basis; hence, the 2010/11 target is based on the period from January 1, 2010 to December 31, 2010.

[1] Based on calendar year 2008.

[2] Based on calendar year 2009.

[3] Annual provincial tourism industry revenue results are typically available by the end of May. However, this year the agencies responsible for the source data were unable to provide updated information in time for inclusion in this report. The results will be posted on the website of the Ministry of Jobs, Tourism and Innovation as soon as available.

Discussion

Provincial tourism revenues are an overarching industry indicator of tourism growth in the province, and a key measure for tracking the health and growth of the tourism industry. Increases and decreases are affected by numerous factors such as exchange rates, fuel costs, international security policies, ease of air travel access, and the provincial, national, and global economy.

Objective 4.1: Increase interest in B.C. as a tourist destination by connecting consumers to the product of choice through the channel of choice.

To achieve visitor growth, it is important to invest resources in content that is both informative and stimulating to consumers, but it is also important to understand how they plan trips and research potential destinations and activities. By ensuring accurate and up-to-date information is available in many forms such as on-line, print, media coverage and through Visitor Centres, the province can optimize exposure to potential visitors.

Strategies

Key strategies for this objective included:

- Using targeted consumer campaigns and on-line marketing tactics to draw more visitors to HelloBC.com, and other related sites such as the Driving Routes website.
- Developing customized, relevant, direct communication through database marketing.
- Working with the Canadian Tourism Commission, Regional Tourism Associations, city and community Destination Marketing Organizations to attract out-of-province visitors after the 2010 Olympic and Paralympic Winter Games.
- Conducting research and providing analysis and evaluation on markets, products and trends to assist industry planning and decision-making.
- Providing tourism businesses, arts and cultural venues, and heritage sites with opportunities to promote their products to potential customers through the HelloBC listings program.
- Increasing and enhancing existing content and functionality on all websites through redesign[10].
- Implementing and managing a Marketing Intelligence Platform to gather more information about consumer preferences and target information relevant to individual consumers on websites and through database marketing.
- Preparing a *Post-2010 Tourism Strategy* to help prioritize industry and government actions over the next five years[11].

Performance Measure 10: Visitors to HelloBC.com consumer websites worldwide.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Visitors to HelloBC.com consumer websites worldwide (millions)	5.32	9.26	6.5	6.0 SUBSTANTIALLY ACHIEVED

Data Source: Ministry of Jobs, Tourism and Innovation

Discussion

This measure tracks the number of visitors to HelloBC.com consumer websites worldwide, as a success indicator of marketing programs. A decline to more typical levels was expected following the 2010 Olympic and Paralympic Winter Games. Planned improvements to

[10] Planned improvements to HelloBC.com that were intended to stimulate stronger consumer engagement starting in fiscal 2010/11 were placed on hold, pending next stages of strategic planning.

[11] This was initiated in May, 2010 as the Tourism 2020 Strategy. The draft plan has been revised through the transition to the Ministry of Tourism, Trade and Investment, and now is being aligned with the priorities of the Ministry of Jobs, Tourism and Innovation.

HelloBC.com that were intended to stimulate stronger consumer engagement starting in fiscal 2010/11 have been deferred.

Objective 4.2: Increase awareness of B.C. tourism products and experiences by generating unpaid coverage of B.C. worldwide.

Travel media relations has become one of the most cost effective tools for promoting the Super, Natural British Columbia® brand to the world. By working with key partners such as the Canadian Tourism Commission and new on-line tools, fresh stories about the province's diverse experiences can be distributed to thousands of media outlets around the globe. A key tactic is to ensure journalists personally experience what B.C. has to offer through the organization of targeted familiarization tours.

Strategies

Key strategies for this objective included:

- Building relationships with key media in priority markets.
- Educating media about B.C. as a travel destination.
- Providing travel journalists, editors and producers with accurate, up-to-date and comprehensive information and experiences.

Performance Measure 11: Equivalent dollar value of unpaid editorial coverage worldwide.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Equivalent dollar value of unpaid editorial coverage worldwide (millions)[1]	$153M	$238M	$300M	$190M NOT ACHIEVED

Data Source: Ministry of Jobs, Tourism and Innovation through a third-party research firm

[1] 2009 and 2010 results were largely fuelled by Olympic-related media opportunities. In addition, the consolidation of traditional media and the growth of online channels has resulted in unpaid editorial coverage which is not as easily measured in the same way. Because of this, there has been a shift to a new measurement system, and future targets will be based on the new criteria.

Discussion

This measure provides an estimate of the value of unpaid media coverage of all British Columbia tourism stories appearing in print, and on television and radio. The 2011 to 2013 annual targets for editorial coverage equivalency were lowered to $195 million each year for the *2011/12-2013/14 Service Plan* of the former Ministry of Tourism, Trade and Investment. This was due to decreasing ad costs, exchange rate fluctuations, and an increase in online coverage which is conservatively valued at a half-cent per impression. Through focused efforts and relationship-

building British Columbia continues to out-perform all Canadian provinces in garnering unpaid media.

Objective 4.3: Ensure B.C.'s share of Canadian product listed with key tour operators is competitive and increased where possible.

Travel trade historically focuses on supporting British Columbia product among the travel trade through education and cooperative marketing. This approach is employed worldwide, but is even more important in overseas markets where consumers primarily purchase through the travel trade.

Strategies

Key strategies for this objective included:

- Increasing sales of British Columbia product through the travel trade by providing education to key accounts through seminars, foreign language publications and trade familiarization tours.
- Developing cooperative consumer campaigns with call to action to key trade accounts.
- Providing opportunities for British Columbia tourism businesses to meet overseas tour operators by co-hosting the Canada's West Marketplace® trade show.
- Ensuring the travel trade was prepared for increased consumer awareness and interest in British Columbia products and experiences following the 2010 Olympic and Paralympic Winter Games.

Performance Measure 12: British Columbia's share of Canadian product in key tour operator offerings.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
British Columbia's share of Canadian product in key tour operator offerings				
North America	50 per cent	46 per cent	45 per cent	46 per cent EXCEEDED
Europe	48 per cent	45 per cent	45 per cent	43 per cent SUBSTANTIALLY ACHIEVED
Asia	65 per cent	65 per cent	65 per cent	66 per cent EXCEEDED

Data Source: Ministry of Jobs, Tourism and Innovation

Discussion

This measure tracks the percentage of British Columbia product in key international tour operator publications, compared to the rest of Canada. It is an indicator of B.C. product availability within key trade accounts.

Goal 5: A tourism industry that delivers a world-class, comprehensive range of tourism products, destinations and enhanced visitor experiences.

Objective 5.1 Visitors have access to accurate, compelling tourism information and the capability to make informed purchasing decisions through their channel of choice – online, contact centre, visitor centres, and direct to tourism businesses.

Serving three million visitors annually, the 109-member community-operated Visitor Centre Network and six provincial Visitor Centres at Peace Arch, Merritt, Osoyoos, Golden, Mount Robson Provincial Park and Vancouver International Airport, provide visitors with accurate and up-to-date information and services on the community, region and province.

Collectively, the Visitor Centres play an integral role in serving visitors by providing timely information on accommodation and ticket availability, transportation opportunities and alternative activity choices.

Strategies

Key strategies for this objective included:

- Providing visitors with provincial community-based tourism information, assistance and advice through the British Columbia Visitor Centres, and throughout an integrated Visitor Centre Network.
- Implementing the Community Cultural Tourism Initiative and supporting the Heritage Tourism Alliance to assist communities to make the most of their artistic, cultural, and heritage experiences and attract visitors[12].

Objective 5.2: Tourism industry representation within marketing and visitor servicing programs is increased.

Over 6,600 tourism suppliers have registered for the HelloBC® Listings Program, a program that provides content-rich supplier information and booking capabilities for the consumer.

[12] Responsibility for this was moved to the Ministry of Community, Sport and Cultural Development.

The sale of tourism products is important to both our visitors and the tourism industry. Transactions through HelloBC.com, **1-800 HELLOBC** call centre and our Visitor Centres include accommodation bookings and activity and transportation tickets. Accessing a centralized system based on leading edge technology, the industry provides their inventory online, providing the visitor with an opportunity to purchase product, services and experiences through the distribution channel of choice.

Strategies

Key strategies for this objective included:

- Providing support, advice, program and information services to tourism industry suppliers to maximize their exposure and opportunities to reach consumers through the Ministry's marketing programs and distribution channels.

Performance Measure 13: Number of tourism businesses listed on HelloBC.com.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of tourism businesses listed on HelloBC.com	4,753	6,932	6,000	6,613 EXCEEDED

Data Source: Ministry of Jobs, Tourism and Innovation

Discussion

This measure tracks the number of tourism businesses registering for HelloBC.com online programs, which includes all international sites. These tourism businesses provide both tourism information and reservation opportunities for visitors. The measure also demonstrates to tourism businesses the value of participating through HelloBC.com.

Objective 5.3: Maximize efficiency and effectiveness of marketing within the B.C. tourism industry.

Marketing success is dependent on integrated planning and marketing campaigns that include provincial, regional, city, community and sectoral partners.

Co-operative marketing programs are implemented across the province by the six Regional Destination Marketing Organizations on behalf of tourism stakeholders in their respective regions. Comprehensive and integrated planning results in professional marketing tactics at cost-effective levels. Participants include individual tourism businesses, sector consortiums and community organizations.

Strategies

Key strategies for this objective included:

- Leveraging regional tourism investment through co-operative marketing programs implemented across the province by the six Regional Destination Marketing Organizations.
- Assisting communities and sectors in developing relevant tourism strategies and increasing overall participation in tourism marketing through the Community Tourism Foundations[R], Community Tourism Opportunities, City Stays, Experiences BC, Sport Tourism, and Business Essentials programs.
- Encouraging the growth of Aboriginal cultural tourism in B.C. and First Nations investment in tourism and outdoor recreation.
- Working with partners to address shortages in B.C.'s tourism workforce.
- Fostering improvements to visitor entry into B.C.

Performance Measure 14: Number of tourism businesses participating in regional marketing programs.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of tourism businesses participating in regional marketing programs[1]	1,875	1,900	1,950	1,620 NOT ACHIEVED

Data Source: Ministry of Jobs, Tourism and Innovation

[1] This measure tracks the number of tourism businesses registering for the Ministry's regional marketing programs.

Discussion

Through the Partnership Marketing Division, the Ministry works directly with the B.C. tourism industry to develop integrated planning and marketing campaigns through regional, city, community and sectoral partnership programs. The division is also responsible for the highly acclaimed British Columbia Magazine™. The 2010/11 number of tourism businesses participating in regional marketing programs was lower than originally anticipated due to the merger of regional consumer websites into HelloBC.com.

Objective 5.4: B.C.'s reputation as a provider of high-quality services and products continues to grow.

To be competitive in the worldwide marketplace, British Columbia must meet and even exceed consumers' expectations, which includes all aspects of their experiences while visiting the

province. To achieve this, public policy is carefully considered to balance a wide range of criteria including environmental, public safety, economic development, social responsibility and consumer interests. One area that plays a key role is Quality Assurance, working with the hospitality industry to enhance accommodations and attractions through industry counselling and approved accommodation programs, in addition to highway signage programs.

Strategies

Key strategies for this objective included:

- Developing public policy that encourages private sector investment in tourist activities and attractions.
- Delivering and maintaining programs and standards that enhance the quality of an accommodation property and level of professionalism.
- Offering affordable, quality customer service training solutions for the tourism industry and building on exposure from 2010 Games training delivery to extend program reach.
- Continuing to work with industry and agencies such as ETHOS (Engaging Tourism & Hospitality Operators in Sustainability) to create and implement a Green Tourism Strategy for Sustainability to leverage our Super, Natural British Columbia® brand and help B.C. meet its climate action targets[13].

Performance Measure 15: Number of participants trained through WorldHost® training programs.

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of participants trained through WorldHost® training programs	16,200	38,731	20,000	12,426 NOT ACHIEVED

Data Source: Ministry of Jobs, Tourism and Innovation

Discussion

WorldHost® provides internationally recognized visitor training workshops. Superior customer service is a key factor in determining the quality of the visitor experience and in building customer loyalty. It is an important part of the tourism marketing cycle, and the training remains a key strategy in fostering the kind of service and hospitality that will bring visitors back for repeat visits. Post Olympic Games, it was anticipated customer service training across the

[13] The strategy was to develop the Green Tourism Strategy for Sustainability through an industry/government partnership, and the creation of ETHOS was a component of the strategy. Since the formal dissolution of the ETHOS BC partnership, sustainability has been identified as a key value of the draft Tourism 2020 Strategy, and will inform tactics and direction across all tourism divisions, including marketing, tourism partnerships and policy.

province would see a decline, however it was deeper than forecast. Anecdotal reports indicate that the uncertain economy in 2010/11 made it a challenge for tourism businesses to invest in customer service training.

Goal 6: B.C.'s workforce is highly skilled and globally competitive

Objective 6.1: B.C.'s workforce is flexible and responsive to the changing and future needs of the provincial economy

A skilled and productive workforce is vital to supporting British Columbia's economy and to achieving the province's economic and social goals. Maintaining and enhancing B.C.'s global economic competitiveness requires a dynamic vision to guide provincial labour market policy and strategy. This improves the Ministry's ability to target and prioritize government and private sector investments, and also ensures that B.C.'s workforce will benefit from new opportunities in B.C.'s growing, more knowledge-intensive economy. This includes ensuring that under-represented populations in B.C. can fully realize these opportunities. In addition to developing and delivering policy and programs to foster labour force development, the Ministry continues to build and strengthen collaborative approaches with industry sectors, communities, and other partners to ensure B.C.'s workforce is a competitive leader positioned to respond to the changing needs of a global economy.

Strategies

Key strategies for this objective included:

- Developing and implementing Skills for Growth: British Columbia's Labour Market Strategy to 2020 to address B.C.'s current and future labour force challenges, improve productivity and support growing economic sectors – "providing the right skills, in the right place, at the right time."
- Supporting sectors, particularly growth sectors, in developing and implementing strategies to address their workforce challenges through Labour Market Partnership agreements.
- Developing and implementing labour market-responsive projects and initiatives, through collaboration with communities and stakeholders, to address current economic impacts and support future economic development objectives.
- Ensuring British Columbians most impacted by the economic downturn – such as youth, immigrants, Aboriginals, persons with disabilities, older and low-skilled workers – have access to training opportunities that advance their labour market attachment as the economy recovers.

- Increasing the supply of skilled workers by continuing to facilitate and improve labour mobility in regulated occupations through interprovincial, pan-Canadian, and international agreements.

Performance Measure 16: Number of clients served by labour market measures

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of clients served by labour market measures				
Targeted Initiative for Older Workers	1083	786	770	913[3] EXCEEDED
Labour Market Agreement & Strategic Training and Transition Fund[1]	1058[2]	25,515	17,000	31,300[4] EXCEEDED

Data Source: Ministry of Jobs, Tourism and Innovation internal database and data provided by service providers

[1] The Labour Market Agreement and Strategic Training and Transition Fund are reported as a single combined target for fiscal years 2009/10 and 2010/11. Funding for the Strategic Training and Transition Fund concludes at the end of fiscal 2010/11.

[2] 2008/09 actual includes Labour Market Agreement only; the Strategic Training and Transition Fund did not exist until 2009/10.

[3] In November 2010, the Targeted Initiative for Older Workers contracts were increased to serve additional clients – total actual number served not yet available; estimate provided.

[4] At the time Service Plan was developed, there were a number of programs under development. As a result, the number of participants to be served could not be included in the estimate. In addition, a number of programs exceeded the number of participants estimated to be served. One Labour Market Agreement program doubled its participants, each accounting for a less amount of funding than anticipated.

Discussion

This performance measure sets targets for the number of clients served by Ministry programs under the Labour Market Agreement, Strategic Training and Transition Fund and the Targeted Initiative for Older Workers. These include Essential Skills training, the Aboriginal training and employment initiative, skills training for employed and unemployed workers, and expansion of the BladeRunners program for youth at risk.

Objective 6.2: British Columbians have the expertise and tools needed to make sound labour market decisions

Accurate, timely labour market information and forecasting is the foundation of effective labour market policies and practices. Government, employers and individuals looking for employment or education opportunities depend on accurate information, particularly in an environment of rapidly changing labour market needs. Achieving this objective will improve efficiency and productivity by matching employers, training providers and those in search of employment when and where they are needed, and establishing skilled workers in jobs in their area of expertise. Comprehensive, accurate, and innovative labour market information and analysis allows all

actors in the labour market (including government and private sector decision makers) to make informed choices about labour market challenges and opportunities today and in the future.

Strategies

Key strategies for this objective included:

- Building a quality Labour Market Information Service that includes products designed to meet the needs of diverse labour market actors and improve employment opportunities, labour market attachment and participation.
- Increasing awareness of labour market initiatives and tools for students, employed and unemployed workers, employers and other partners to more efficiently and effectively match labour market supply and demand (see www.Workbc.ca).
- Increasing the responsiveness of the post secondary education and training system to labour market demand by providing, to the Ministry of Advanced Education, detailed regional labour market forecasting and analysis that informs decision-making and investments.
- Increasing the responsiveness of the immigration system to BC labour market demands and opportunities by providing detailed immigration statistics, trend and forecasting analysis.

Goal 7: BC is a global destination of choice for students, skilled workers and entrepreneurs

Objective 7.1: BC attracts and increases newcomers to the province through effective partnerships and outreach

B.C.'s aging population and the growing worldwide demand for skilled workers will impact the province's ability to compete in the global knowledge-based economy. International students, skilled workers, entrepreneurs and their families all contribute to B.C.'s ability to grow a vibrant economy and build prosperous, sustainable communities. The key to attracting and retaining talent lies in B.C.'s ability to capitalize on its economic, social and educational advantages, and make B.C. a destination of choice for people to live, work, study and invest.

The federal government is responsible for Canada's immigration system and the Ministry is responsible for B.C.'s approach to immigration and settlement-related services. Effective partnerships with the federal government, sector and community leaders are critical for B.C. to meet its current and future needs for skilled workers. This includes B.C. taking an active role in the selection of economic immigrants based on labour market demands and ensuring that the international training and experience of newcomers is maximized in the labour market.

Strategies

Key strategies for this objective included:

- Developing a B.C. Immigration Strategy that maximizes the use of the federal immigration system to strengthen and support B.C.'s labour market needs and overall provincial social and economic goals.
- Expanding the Provincial Nominee Program to increase the province's ability to attract and retain international students, skilled workers and entrepreneurial immigrants.
- Developing and implementing a targeted marketing strategy in partnership with industry, employers and communities to attract skilled workers to meet current and future labour market shortages, and entrepreneurs for business succession and economic development investment.
- Increasing the supply of skilled workers by continuing to facilitate and improve labour mobility in regulated occupations through interprovincial, pan-Canadian, and international agreements.

Performance Measure 17: Number of principal applicants attracted to BC under the Provincial Nominee Program

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of new principal applicants attracted to BC under the Provincial Nominee Program[1]				159 SUBSTANTIALLY ACHIEVED
Business	94	122	160	
Strategic Occupations/ Skilled Workers	2,564	3,024	3,500	3,263 SUBSTANTIALLY ACHIEVED

Data Source: Ministry of Jobs, Tourism and Innovation – Provincial Nominee Program statistics

[1] The total number of applications processed in the Strategic Occupations stream of the Provincial Nominee Program increased from 3,345 in 2009/10 to 4,057 in 2010/11 – a 21% increase. However, the refusal rate jumped from 9% in 2009/10 to 20% in 2010/11 due to a large increase in the number of lower skilled, lower paid applicants, many of whom were refused because their incomes did not meet the Low Income Cut-Off threshold of the Provincial Nominee Program, resulting in a lower than expected number of total nominations. If the refusal rate in 2010/11 had remained unchanged from the previous year (9%), total nominations would have been approximately 3,700, based on the number of applications processed.

Discussion

The Provincial Nominee Program is designed to increase the economic benefits of immigration to the province by recruiting and retaining skilled and entrepreneurial immigrants based on provincial economic needs, priorities and selection criteria. It offers accelerated immigration for qualified skilled workers and experienced entrepreneurs and investors who can contribute to the

economy. This measure indicates the number of principal applicants (excluding family members) in the Provincial Immigrant Nominee Program business category, and expedited entry of skilled worker immigrants into the economy under the strategic occupations category.

Objective 7.2: B.C.'s immigrant settlement services ensure the successful integration of newcomers into workplaces and communities

As immigrants and their families become the province's primary source of labour force and population growth, effective settlement programs and services are critical, not only for successful integration into B.C.'s workplaces and communities, but also for ensuring that communities are able to retain newcomers to the province. The Ministry works in partnership with communities, immigrant settlement agencies and other partners to ensure B.C.'s communities and workplaces are responsive to the needs of newcomers. The Ministry's efforts to support newcomer settlement and immigration are delivered under WelcomeBC, and supported under the Canada – B.C. Immigration Agreement. WelcomeBC is a comprehensive approach to enhance settlement and integration services to help newcomers better adapt to life in their new communities, and to help communities and workplaces be welcoming and inclusive of newcomers.

Strategies

Key strategies for this objective included:

- Providing responsive settlement services that meet the needs of newcomers and their families, and improve their integration into B.C.'s communities and workplaces.
- Increasing English language training opportunities through a variety of service delivery models to accelerate the integration of immigrants into BC's communities and the provincial workforce.
- Supporting B.C. communities to be welcoming and inclusive of newcomers, including promotion of immigration as a vital support for BC's economic and community development.
- Implementing the Foreign Qualifications Framework with provincial regulators and other partners to accelerate the assessment of international credentials for immigrants, including pre-arrival assessment and information to increase labour market success.
- Continuing to build on the success of the Skills Connect for Immigrants program, assisting immigrants to connect to jobs that build on their international education, knowledge, skills and experience.

Performance Measure 18: Number of, and outcomes for, immigrants enrolled in ESL programs and Skills Connect for Immigrants[1]

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of Students enrolled in publicly-funded ESL programs for immigrant adults[2]	Data Not Available	27,600	28,500	29,100 EXCEEDED
Number of immigrants served by the Skills Connect for Immigrants Program[2]	2,114	2,300	2,300	3,345 EXCEEDED

Data Source: Ministry of Jobs, Tourism and Innovation internal database and data provided by service providers

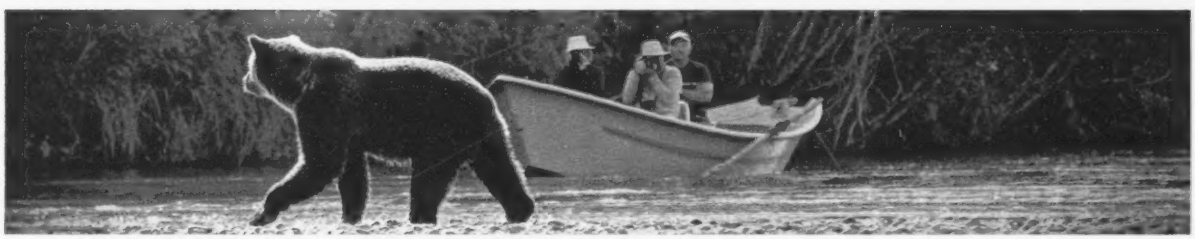
[1] Based on data available at time of publication.

[2] The 2010/11 number of immigrants served by these programs is a result of in increased demand and uptake in the programs.

Discussion

The ability to speak, read and write the language(s) of the adopted country assists settlement and allows new immigrants to access the amenities and services that are available in the communities where they reside. Facility in the English language can also help immigrants make the best use of education and employment opportunities.

The Skills Connect for Immigrants Program is designed to assist skilled immigrants to fully utilize their skills and training in the B.C. labour market. It provides immigrants with personal assessments and planning to support skills upgrading, language enhancement and workplace experience opportunities in order to overcome barriers to employment and bridge into jobs that align with pre-arrival skills, knowledge and experience. This measure gauges the success of the Skills Connect program in supporting skilled immigrants to integrate into the labour force in jobs that match their previous skills, knowledge and experience. The number of clients served is one measure of how the Ministry is contributing to B.C.'s supply of skilled labour.



A grizzly bear near Bella Coola, on the Cariboo Chilcotin Coast.

Report on Resources

	Estimated	Other Authorizations[1]	Total Estimated	Actual	Variance
Operating Expenses ($000)					
Educational Institutions and Organizations	1,883,864	(1,877,594)	6,270	6,488	218
Student Support Programs	84,609	(84,609)	0,000	0,000	0,000
Labour Market and Immigration	112,774	0,000	112,774	106,894	(5,880)
Public Sector Employers' Council Secretariat	16,603	(16,603)	0,000	0,000	0,000
Executive and Support Services	16,210	(16,081)	129	0,000	(129)
Asia Pacific Trade and Investment (Transfer from Ministry of Advanced Education)	0,000	19,891	19,891	15,675	(4,216)
Small Business, Research and Competitiveness (Transfer from Ministry of Advanced Education)	0,000	15,218	15,218	14,661	(557)
Executive and Support Services (Transfer from Ministry of Advanced Education)	0,000	1,050	1,050	580	(470)
Local Government (Transfer from Ministry of Community, Sport and Cultural Development)	0,000	2,000	2,000	2,000	0,000
RuralBC Secretariat (Transfers from the Ministry of Community, Sport and Cultural Development)	0,000	11,116	11,116	11,013	(103)
Mountain Pine Beetle Epidemic Response Division (Transfer from Ministry of Community, Sport and Cultural Development)	0,000	9,426	9,426	9,485	59
Executive and Support Services (Transfer from Ministry of Community, Sport and Cultural Development)	0,000	495	495	82	(413)
Northern Development Fund (Transfer from the Ministry of Community, Sport and Cultural Development)	0,000	500	500	500	0,000
Pricing and Selling Fibre (Transfer from Ministry of Forests and Range)	0,000	22,413	22,413	22,974	561
Integrated Land Management Bureau (Transfer from Ministry of Forests and Range)	0,000	562	562	0,000	(562)
Tourism Partnerships (Transfer from the Ministry of Tourism, Culture and the Arts)	0,000	18,825	18,825	20,215	1,390

	Estimated	Other Authorizations[1]	Total Estimated	Actual	Variance
Operating Expenses ($000)					
Consumer Marketing (Transfer from the Ministry of Tourism, Culture and the Arts)	0,000	26,799	26,799	25,418	(1,381)
Strategy and Policy (Transfer from Ministry of Tourism, Culture and the Arts)	0,000	3,300	3,300	2,723	(577)
Transfer to Crown Corporations and Agencies (Transfer from Ministry of Tourism, Culture and the Arts)	0,000	54,999	54,999	54,999	0,000
Executive and Support Services (Transfer from Ministry of Tourism, Culture and the Arts)	0,000	4,632	4,632	4,983	351
Statutory Account	0,000	0,000	0,000	0,000	0,000
Adjustment of Prior Year Accrual	0,000	0,000	0,000	(30)	(30)
Total	**2,114,060**	**(1,803,661)**	**310,399**	**298,662**	**(11,737)**
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)					
Ministry of Jobs, Tourism and Innovation	3,813	0,000	3,813	667	(3,146)
Total	**3,813**	**0,000**	**3,813**	**667**	**(3,146)**

[1] Other Authorizations ($000) include:

-Pine Beetle Action Plan	9,000
-Concessionary Interest for British Columbia Pavilion Corporation (PAVCO)	13,822
-Operating Deficit for British Columbia Pavilion Corporation	13,835
-Resort Municipality Tax Transfer Program	8,300
-Transfers due to government reorganization	(1,848,618)

Heli-skiing in the backcountry, Coast Mountains.

Leading Edge Endowment Fund: Annual Highlights

In 2010/11, LEEF announced two new chairs: one BC Leadership Chair and one Regional Innovation Chair.

Two other new BC Leadership Chairs were awarded, but are pending announcement.

B.C. Leadership Chair:
Reducing Youth Violence, SFU, Dr. Robert McMahon, January 2011 (awarded July 2010)

B.C. Regional Innovation Chair:
Aboriginal Early Childhood Development, VIU, Linda McDonell, September 2010 (awarded January 2010)

LEEF Financial Summary, 2010-11

($ in thousands)	2009/10 Actual[1]	2010/11 Actual[2]
REVENUE		
Grant Income [3]	$4,750	$6,750
Interest	$129	$213
	$4,879	$6,963
EXPENSES		
LEEF Chairs	$4,750	$6,750
Operations	$233	$229
	$4,983	$6,979
EXCESS (Revenue over Expenses)	$(104)	$(16)
NET ASSETS (Beginning of year)	$7,369	$7,265
NET ASSETS (End of year)	$7,265	$7,249

Data Source: Leading Edge Endowment audited financial statements and the Leading Edge Fund Society

[1] Figures from the Leading Edge Endowment Fund audited financial statements for the year ended March 31, 2010.

[2] Figures provided by the Leading Edge Fund Society, subject to audit review.

[3] Grant income is drawn from "deferred contributions" on hand and reported in the year a chair award is made.

Annual Service Plan Report Appendices

Appendix A Ministry Contact Information

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To learn more about the numerous programs and services provided by the Ministry of Jobs, Tourism and Innovation please visit www.gov.bc.ca/jti.